

**Steering Committee  
of the Imperial Valley Study Group  
Minutes of June 29, 2005 Meeting**

In attendance: Juan Carlos Sandoval, Mark Etherton, IID; Jonathan Woldemariam, Caroline Winn, Linda Brown, SDG&E; Mohan Kondragunta (for Dana Cabbell), SCE; Greg Merrigan, CalEnergy (by phone); Jesse Ante, CPUC; Dave Olsen, CEERT/CEC. The meeting convened at 2:00 PM and adjourned at 3:45 PM. Minutes were recorded by Dave Olsen.

**Study of Phased Development:** The Steering Committee clarified that the purpose of the study was to evaluate the addition of renewable energy to the regional grid, in roughly 600+MW increments, and not the interconnection of any generator. It further clarified that the study should not concentrate solely on geothermal power but should include the addition of other renewables like Concentrating Solar Power (CSP). The study should thus be considered to be a Transmission Owner expansion study request.

After substantial discussion, it was agreed that the IVSG Technical Work Group should evaluate the proposed development phases at a conceptual level, rather than as a System Impact Study. The level of detail provided by a SIS is not needed for IVSG purposes, and there is not enough time to complete such studies and still meet the September 30 target completion date.

IID will take the lead on the study of the phases. At the request of SDG&E, the study will use 2010 as the base year. Mohan will talk with Dana Cabbell to find out whether SCE has adequate staff resources for a Phase 1a conceptual study. SDG&E agreed to commit the staff resources necessary to study the impacts of the phased generation expansion on its system.

If SCE can commit the resources, IID will adjust the Heavy Summer and Light Autumn base cases for 2010 loads/resources and send them to SCE and SDG&E to confirm and modify. SCE will then model the Phase 1a flows (incremental 645 MW of new Imperial Valley generation across Path 42 to Devers) on its system; SDG&E will model Phase 1b flows (incremental 645 MW of new Imperial Valley generation delivered at the Imperial Valley substation) on its system. The results of the Phase 1a/1b runs will determine how we study Phase 2.

**Building Transmission In Advance of Interconnection Agreements:** In its Tehachapi decision, the CPUC found that it was likely more cost-effective and less environmentally damaging to build transmission in large increments, rather than sequentially upgrading/re-upgrading paths to connect relatively small renewable generating projects. This necessarily entails building transmission in advance of generator interconnection agreements, with attendant cost recovery risk to the transmission owner. To address these risks, SCE has proposed that FERC order special cost recovery treatment for "Renewable Energy Trunk Lines."

The IVSG development plan must recommend how transmission upgrades should be phased, including the extent to which the new transmission should be built in advance of having generator interconnection agreements in place, and how the risks to transmission owners can be mitigated. This will be an important subject for the Steering Committee over the next two months.

**Permitting Work Group:** Carrie Downey, the leader of the PWG (representing IID) has done an excellent job engaging county, state and federal agencies in thinking about the permitting and approval of a 2,000 MW generation/transmission project. But several of the agencies appear frustrated that the routings/upgrades for the SDG&E and SCE portions of the potential project have not yet been identified; this makes environmental study planning an abstract exercise.

The PWG's mission is to develop and recommend a detailed process which can be used to consolidate and expedite the permitting of the multi-phase project. Without specific routings being known, the PWG/participating agencies cannot identify the individual environmental studies needed. Instead, it can identify the process to be used to coordinate inter-agency action and expedited study and approval as soon as routings are identified. The Steering Committee agreed that Carrie/IID (with support from Dave Olsen) should adjust PWG agencies' expectations to this end: the opportunity here is to identify a process for permitting a multi-phase, multi-year project, including determining the extent to which later phases can in essence be pre-approved while still complying with NEPA/CEQA requirements; and to recommend how all involved agencies can best coordinate staffing, oversight and approvals.

**Next Meetings:** we set the following dates/times:

**July 20,** 2:00-4:00 PM, phone meeting. (This was previously set up as an in-person meeting). Merrie Lamb will send the call-in number.

**August 9,** in person, at Sempra, immediately after the STEP meeting that day (start time approximately 2:00-3:00 PM). Please reserve at least two hours for this meeting.

**August 24,** 10:30-4:00 PM, in-person meeting, at Sempra HQ auditorium #1.

**IVSG—Full Study Group** (~50 people)

- **August 10,** 1:00-4:00 PM, auditoriums 2-3 at Sempra, 101 Ash St.
- **September 15,** 1:00-4:00 PM, San Diego location to be confirmed.